

NOTES TO THE SCHEDULE OF EXPENDITURES OF FEDERAL AWARDS
For The Year Ended December 31, 2010

NOTE 1 - BASIS OF ACCOUNTING

The Schedule of Expenditures of Federal Awards is prepared on the same basis of accounting as the county's financial statements. The county uses accrual basis of accounting for all funds except governmental funds, which use the modified accrual basis of accounting.

NOTE 2 - PROGRAM COSTS

The amounts shown as current year expenditures represent only federal grant portions of the program costs. Entire program costs, including the county's portion, may be more than shown.

NOTE 3 - REVOLVING LOAN - PROGRAM INCOME

Note 3 was not applicable for year 2010.

NOTE 4 - NOT AVAILABLE (N/A)

The county was unable to obtain another identification number.

NOTE 5 - NONCASH AWARDS - VACCINATIONS

The amount of vaccine reported on the schedule is the value of vaccine received and distributed by the county during the year and priced as prescribed by the Washington Department of Health.

NOTE 6 - UNDER-REPORTED 2008 and 2009 EXPENDITURES

An amount of \$3,130, which was expended in 2009 under CFDA 16.607 "Bulletproof Vest Partnership," was erroneously omitted from the 2009 Schedule of Expenditures of Federal Awards.

An amount of \$383, which was expended in 2009 under CFDA 97.042 "Emergency Management Performance Grants," was erroneously omitted from the 2009 Schedule of Expenditures of Federal Awards.

The amounts of \$777,797, which was incurred in 2009, and \$355,881, which was incurred in 2008, under CFDA 20.205 "Highway Planning and Construction" were not identified for inclusion in the 2008 and 2009 Schedule of Expenditures of Federal Awards. Due to the number of road projects that resulted from the 2007 flood event, the expenditures for the contracts listed below were not identified to their respective grants until 2010.

LA-5452 incurred \$3,951 expended in 2009.

LA-6450 incurred \$126,316 expended in 2009.

LA-6696 incurred \$9,400 expended in 2008.

LA-6698 incurred \$77,919 expended in 2008.

LA-6699 incurred \$18,562 expended in 2008.

LA-6700 incurred \$5,496 expended in 2008.

LA-6701 incurred \$125,427 expended in 2008.

LA-6702 incurred \$8,660 expended in 2008.

LA-6705 incurred \$110,417 expended in 2008 and \$626,001 expended in 2009.

LA-6941 incurred \$48 expended in 2009.

LA-7262 incurred \$21,481 expended in 2009. The contract for this project was not finalized until September 2010.

The 2008 and 2009 expenditures were not included in the expenditure amounts reported on the 2010 Schedule of Expenditures of Federal Awards.

NOTE 7 - MEDICAL ASSISTANCE PROGRAM

A portion of the reimbursement for contract #0966-53186 is based on expenditures occurring during the third and fourth quarters of 2009. Due to the length of time needed to prepare the billing information, the amount of expenditures associated with the third and fourth quarters of 2009 were not determined in time to be included in the 2009 Financial Statements.

NOTE 8 - AMERICAN RECOVERY AND REINVESTMENT ACT (ARRA) OF 2009

Expenditures for this program were funded by ARRA.

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NOTE 9 - INDIRECT COST RATE

The amount expended includes \$0 claimed as an indirect cost recovery using an approved indirect cost rate.

The amount expended for "Schools and Roads Grants to States (CFDA 10.665) includes \$2,499 from Contract Number 07-PA11060300-037 claimed as an indirect cost recovery using an indirect cost rate of 12.12% as certified by the Board of County Commissioners on September 28, 2009 through Resolution #09-331.

The amount expended for "Child Support Enforcement" (CFDA 93.563) includes \$1,835 from Contract Number 0763-15018 and \$23,394 from Contract Number 2110-81382 claimed as an indirect cost recovery using an indirect cost rate of 12.12% as certified by the Board of County Commissioners on September 28, 2009 through Resolution #09-331.

The amount expended for "Medical Assistance Program" (CFDA 93.778) includes \$9,630 from Contract Number 0966-53186 claimed as an indirect cost recovery using an indirect cost rate of 12.12% as certified by the Board of County Commissioners on September 28, 2009 through Resolution #09-331.

The amounts expended for "State Administrative Matching Grants for the Supplemental Nutrition Assistance Program", "Supportive Housing Program", "Emergency Shelter Grants Program", "ARRA - Homelessness Prevention and Rapid Re-Housing Program", "Housing Opportunities for Persons with AIDS (A,B)", "HIV Care Formula Grant", and "Disaster Grants-Public Assistance (Presidentially Declared Disasters)" include \$17,341 claimed as an indirect cost recovery using various indirect cost rates as authorized per grant agreements.

NOTE 10 - AMOUNTS AWARDED TO SUBRECIPIENTS

Included in the total amount expended for "Schools and Roads" (CFDA number 10.665) is \$230,416, which was passed through to subrecipients that administered their own projects. This amount includes both current and prior year Title III funds.

Included in the total amount expended for "Community Development Block Grants" (CFDA number 14.228) is \$683,932 from Contract Number 07-64007-020 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Emergency Shelter" (CFDA number 14.231) is \$134,525 from Contract Number 10-46000-220 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Supportive Housing Program" (CFDA number 14.235) is \$43,672 from Contract Number WA0091B0T010801 and \$69,909 from Contract Number WA0091B0T010802 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "ARRA - Homelessness Prevention and Rapid Re-Housing Program" (CFDA number 14.257) is \$101,149 from Contract Number 10-46111-616 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Juvenile Mentoring Program" (CFDA number 16.726) is \$150,389 from Contract Number 2008-JU-FX-0026 that was passed through to subrecipients that administered their own projects.

Included in the total amount expended for "Prevention/Treatment of Substance Abuse " (CFDA number 93.959) is \$122,539 from Contract Number 0963-68047 that was passed through to subrecipients that administered their own projects.

NOTE 11 - CFDA Number

The Office of National Drug Control Policy does not use CFDA numbers. The CFDA number provided on the Schedule of Expenditures of Federal Awards was determined per guidance provided in the Budgeting, Accounting, and Reporting System Manual using the Federal Agency's Grant Award Number G09NW0003A.